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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

July 26, 2007

Mr. Ray Chernskie, contact for
MolyCorp Inc.
P.O. Box 469
Questa, NM 87556

Subject: Notice of Permit Release, MolyCorp Inc., Small Fry, M/037/022, San Juan, Utah

Dear Mr. Chernskie:

The Division finds reclamation work complete for the Small Fry Mine; permit number M/037/022, located in San Juan County, Utah. The permit is now released.

The Operator, MolyCorp Inc., has performed all obligations under the terms of the agreement, and have satisfactorily reclaimed the disturbed lands in accordance with the Notice of Intention to Conduct Mining Operations (NOI) and faithfully performed all requirements according to the Utah Mined Land Reclamation Act, and associated rules.

Therefore, please find enclosed the executed documents for permit number M/037/045:

- Reclamation Contract, original;
- Bond Release Findings, original;
- BLM Release E-mail, copy;
- Corporate Surety Bond and associated Rider(s), original;

If you have any questions or concerns regarding this action, please contact Surety Coordinator, Mr. Jed Pearson (801) 538-5382. Thank you for your efforts in completing the reclamation work associated with this project.

Sincerely,

Susan M. White
Mine Program Coordinator
Minerals Regulatory Program

SMW:JP:pb

Enc: reclamation contract original, corporate surety bond and associated rider(s), bond release findings, original, BLM release e-mail copy

Cc: Beth Ericksen, OGM

Paul Baker, OGM

Frank Bain, BLM (Frank_Bain@blm.gov)

Mary Athanites, Travelers Insurance (PO Box 173713 Denver, CO 80237 w/ corporate surety bond copy)

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